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Fleet Executive

The Magazine for Vehicle Management
July 1987

NAFA's Annual Personal Use Survey
pg 10

NAFA's 1987 Personal Use Survey garnered responses from 464 fleets across the United States and Canada. These fleets control 394,091 vehicles, of which 221,049 are company-owned and 173,042 are leased.

The 389 fleets in the survey control 356,708 vehicles; 196,146 are company-owned and 160,362 are leased. The 75 Canadian fleets control 19,383 company-owned and 17,220 leased vehicles, for a total of 37,583.

Almost [illegible] percent of responding fleets allow their drivers personal use of company-provided vehicles. Eighty-four percent allow it after working hours; the same percentage allow it on weekends and holidays, and 76 percent allow personal use while the employee is on vacation. The numbers for Canadian fleets are higher: 87 percent allow personal use; 94 percent allow it after working hours; 94 percent allow it on weekends and holidays; 93 percent allow it while the employee is on vacation. Nearly [illegible] percent of U.S. fleets allow their employees to drive company vehicle home; 81 percent of Canadian fleets [illegible] this is permitted. Fleets are also more liberal with regard to the employees' children's use of the company vehicle: 81 percent said they allow this. In the U.S., only 38 percent of responding fleets said licensed children of employees may use the fleet vehicle. Thirty-eight percent of Canadian respondents also said "others" are allowed use of the company vehicle; this number was nine percent in the U.S. The same percentage (38) of fleets in both countries have set a minimum age limit of 20 for persons eligible to drive a

Understanding Your Fleet Vehicles
pg 20

As fleet managers, you are responsible for keeping your vehicles trouble-free in the most cost-effective and efficient manner. One service problem that can run into hundreds of dollars in repairs is automatic transmission failure. However, as with most repairs, [illegible] can often be prevented. High cost [illegible] follow a few simple guidelines [illegible] using a little common sense.

In order to understand the reasoning behind preventive transmission maintenance, you must first look at how an automatic transmission works. The automatic transmission, nearly 50 years old, basically does what the name implies: it transfers power manufactured by the engine to the driving wheels of the vehicle while automatically selecting an appropriate gear range. This automatic function is significant because the timing and selection of the proper gear is handled in much the same manner as a driver shifting a manual transmission.

All this is done with optimum performance and fuel economy

NAFA EXCLUSIVES

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FEATURES

10 **NAFA's Annual Personal Use Survey Results**
How much are drivers charged for personal mileage put on a company vehicle? How much are they reimbursed for business mileage on their personal car? Who is allowed to use a company car? What restrictions are placed on drivers for use of a company car while not on work time? Find the answers to these and other pertinent questions in this long-awaited NAFA Exclusive.

20 **Understanding Your Fleet Vehicles**
Many service problems in today's vehicles center around three main areas: transmissions, tires and electronic engine controls. In order that our Members and Affiliates have a better understanding of these components, we offered a General Session entitled "Understanding Your Fleet Vehicles" at our recent Annual Conference in Montreal. Panelists from Ford, General Motors and Michelin Tires presented attendees with the latest information on the operation and maintenance of these vital auto systems. Get the full picture of what each panelist said in this detailed NAFA special.

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The best way to get desired work results from employees is to ensure they are fully and properly trained in all aspects of their job. Not only that, they must be trained to strive for the future and know there are good things to come from their hard work. You can learn how to train your subordinates, as well as yourself, in this brief but concise article.

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NAFA EXCLUSIVE

Annual Personal

NAFA's 1987 Personal Use Survey garnered responses from 464 fleets across the United States and Canada. These fleets control 394,091 vehicles, of which 221,049 are company-owned and 173,042 are leased.

The 389 U.S. fleets in this survey control 356,508 vehicles; 196,146 are company-owned and 160,362 are leased. The 75 Canadian fleets control 24,903 company-owned and 12,680 leased vehicles, for a total of 37,583.

Almost all (91 percent) responding U.S. fleets allow their drivers personal use of company-provided vehicles. Eighty-four percent allow it after working hours; the same percentage allow it on weekends and holidays, and 76 percent allow personal use while the employee is on vacation. The numbers for Canadian fleets are higher: 87 percent allow personal use; 94 percent allow it after working hours; 94 percent allow it on weekends and holidays, and 93 percent allow it while the employee is on vacation.

Number of Returns by Classification	U.S.	Canada	Total
Drugs & Cosmetics	39	16	55
Food & Beverage	40	13	53
Insurance	61	2	63
Chemical & Petroleum	24	5	29
Mfg.-Industrial	67	15	82
Mfg.-Consumer	47	7	54
Public Utility	31	3	34
Government	42	7	49
Banking-Financial	19	2	21
Other	19	5	24
TOTAL	389	75	464

Eligible Drivers

Nearly 75 percent of U.S. fleets allow their employee's spouse to drive the company vehicle for personal use, while 93 percent of Canadian fleets said this is permitted. Canadian fleets are also more liberal with regard to their employees' licensed children's use of the company vehicle: 81 percent said they allow this. In the U.S., only 38 percent of responding fleets said licensed children of employees may use the fleet vehicle. Thirty-eight percent of Canadian respondents also said "others" are allowed use of the company vehicle; this number was nine percent in the U.S. The same percentage (38) of fleets in both countries have set a minimum age limit of 20 for persons eligible to drive a company vehicle.

Responding U.S. fleet managers estimated employees drive more than 473 miles of personal use mileage each month on the company vehicle. The yearly per-car-per-driver personal use mileage estimate was put at 5,440 miles. Canadians said their monthly per-car-per-driver personal use average was nearly 874 kilometers, while the yearly total was slightly above 8,605 kilometers.

All told, U.S. fleets said an average of 17.4 percent of their total yearly fleet mileage is for personal use. Canadian fleets put their estimate at 22.8 percent. Correspondingly, 81 percent of U.S. fleets and 90 percent of Canadian have no limit on the amount of personal use mileage allowed. (Those U.S. fleets having limits on personal use set it at an average of 590 miles; the Canadian average is 4,732 kilometers.)

Who Pays and How?

More than 80 percent of U.S. fleets and 66 percent of Canadian fleets charge their employees for personal use of a company vehicle. The most popular method of charging in the U.S. is a cents-per-mile system, while in Canada it is by flat monthly or weekly charges. In the U.S., the average charge per mile is 16.7 cents; in Canada, the average

Use Survey Results

monthly/weekly charge (in Canadian dollars) is $58.10. The most-used method of collecting these charges in both countries is through salary deductions.

When reimbursing drivers for business use of their personal vehicle because they do not have a company-provided vehicle, 306 U.S. and 59 Canadian fleets pay only for mileage driven. The per-mile system was by far the most popular in both countries. The average amount paid in the U.S. is 20.6 cents; in Canada, it is 22.4 Canadian cents.

The per-mile pay system was also the most popular in situations where an employee's assigned fleet vehicle is not in operation and he uses his personal vehicle for business. This is used by 315 U.S. and 37 Canadian fleets. Average amount paid by U.S. fleets is 20.7 cents and by Canadian fleets it is 22.5 Canadian cents.

An employee's job title is the most important factor in determining who gets a company vehicle according to 292 U.S. and 34 Canadian fleets. A close second in the U.S. (202 fleets) was the number of business miles driven in a year, with the average being 13,503 miles. The results show Canadian fleets are fairly split in this department as well, with 30 fleets saying company vehicles were provided as part of the employees' fringe benefit package.

U.S. and Canadian fleet managers also differ on alternate means of transportation for employees whose assigned fleet vehicle is not in operation. Most U.S. fleets (331) prefer the employee to use his personal vehicle for business while being reimbursed, while a high number (292) also permit him to rent a vehicle. Just the opposite is true in Canada. Sixty-three Canadian fleets would first prefer to rent a vehicle and 46 would allow the employee to use his personal vehicle.

U.S.-Canadian Differences

Differences also exist between U.S. and Canadian fleets with regard to the ways they handle accident repair costs passed on to drivers, when and if they charge drivers with accidents and if and how they compensate drivers who lose eligibility for fleet vehicles.

Sixty-three percent of Canadian fleets pass on to the employee some portion of repair costs resulting from accidents during personal use. Only 31 percent of U.S. fleets do so.

Also, less than half (48 percent) of U.S. fleets charge their employees with an accident if someone else has the accident while driving the company vehicle for personal use. In Canada, however, slightly more than half (53 percent) do this.

Finally, Canadian fleets are also more likely to compensate their employees who lose eligibility for a company vehicle because of transfer or reassignment. Fifty-two percent of Canadian fleets will either make a one-time payment to the employee or offer to sell him the vehicle at a discounted rate. In the U.S., only 41 percent of fleets said they are willing to do this.

(Continued on page 12)

Survey Highlights

- **NAFA's Personal Use Survey received 464 responses — an all-time high.**
- **Almost all responding U.S. fleets allow their drivers personal use of a company-provided vehicle.**
- **The most popular method in the U.S. of charging employees for personal use is a cents-per-mile system, while in Canada it is by flat monthly or weekly charges.**
- **When reimbursing drivers for business use of their personal vehicle because they do not have a company-provided vehicle, 306 U.S. and 59 Canadian fleets pay only for mileage driven. The per-mile system is by far the most popular in both countries.**

NAFA's Annual Personal Use Survey *(Continued from page 11)*

What is the average percent of your fleet's total mileage considered to be personal use?

	Drugs & Cosmetics	Food & Beverage	Insurance	Chemical & Petroleum	Manufacturing-Industrial	Manufacturing-Consumer	Public Utility	Government	Banking-Financial	Other	TOTAL SAMPLE
U.S.	16.5%	16.9%	21.9%	15.0%	18.8%	13.4%	14.1%	12.9%	21.6%	15.0%	17.4%
Canada	17.2%	20.9%	25.0%	22.3%	26.7%	22.2%	40.0%	40.0%	33.0%	26.0%	22.8%

Average personal mileage driven by employees on company vehicle:

	Drugs & Cosmetics	Food & Beverage	Insurance	Chemical & Petroleum	Manufacturing-Industrial	Manufacturing-Consumer	Public Utility	Government	Banking-Financial	Other	TOTAL SAMPLE
U.S. - Monthly	226.3	385.1	427.9	339.0	411.5	652.0	672.8	463.2	633.0	534.0	473.3
- Yearly (Miles)	2,830.0	4,746.6	5,693.9	5,426.6	5,677.0	5,599.3	8,051.0	3,610.0	7,103.8	6,152.0	5,440.0
Canada - Monthly	459.0	1,530.8	850.0	333.3	762.6	518.7	1,375.0	1,200.0	680.0	1,062.0	873.9
- Yearly (Kilometers)	9,163.0	7,804.4	10,000.0	4,500.0	13,520.1	5,505.8	12,000.0	14,000.0	8,165.0	5,420.0	8,605.4

Is a limit placed on the amount of personal miles driven? If so, what is it?

	Drugs & Cosmetics	Food & Beverage	Insurance	Chemical & Petroleum	Manufacturing-Industrial	Manufacturing-Consumer	Public Utility	Government	Banking-Financial	Other	TOTAL SAMPLE
U.S. - Yes	2	2	4	5	9	6	9	17	3	13	70
- No	35	34	55	19	55	40	13	11	14	14	290
Limit (Miles)	100	300	0	0	887	1,000	300	0	325	50	590
Canada - Yes	1	3	0	0	0	0	0	2	0	1	7
- No	15	10	2	5	14	7	2	1	2	4	62
Limit (Kilometers)	160	4,500	0	0	0	0	0	14,000	0	500	4,732

Are drivers permitted personal use of company-provided vehicle at any of the following times?

	Drugs & Cosmetics	Food & Beverage	Insurance	Chemical & Petroleum	Manufacturing-Industrial	Manufacturing-Consumer	Public Utility	Government	Banking-Financial	Other	TOTAL SAMPLE
Whenever Necessary:											
U.S. - Yes	39	38	58	22	64	42	17	19	17	17	333
- No	0	1	0	1	3	4	12	20	1	2	44
Canada - Yes	13	11	2	5	14	6	2	2	2	5	62
- No	2	1	0	0	0	1	1	4	0	0	9
After Working Hours:											
U.S. - Yes	38	39	58	20	62	43	17	12	14	15	318
- No	0	0	2	3	4	3	10	24	4	2	60
Canada - Yes	14	12	2	4	15	6	1	2	2	5	63
- No	0	0	0	1	0	0	0	3	0	0	4
Weekends & Holidays:											
U.S. - Yes	38	39	58	18	61	43	13	10	14	15	309
- No	0	0	2	5	4	3	13	26	4	2	59
Canada - Yes	14	12	2	4	15	6	1	2	2	5	63
- No	0	0	0	1	0	0	0	3	0	0	4
On Vacation:											
U.S. - Yes	36	37	57	14	59	42	5	2	10	13	275
- No	2	2	3	7	7	4	19	31	8	4	87
Canada - Yes	14	12	2	4	15	6	1	2	2	4	62
- No	0	0	0	1	0	0	0	3	0	1	5

(Continued on page 14)

1986-1987 Personal Use Survey Comparison

	1986	1987	+/-
Total Fleets Responding	358	464	+106
Total Vehicles	237,710*	394,091	+156,381
Total Company-Owned Vehicles	121,479	221,049	+99,570
Total Leased	106,671	173,042	+66,371

*Included 9,560 employee-owned vehicles.

	Percent of Fleets Responding Positively		
	1986	1987	% +/-
Permitted Personal Use:	93%	88%	-5%
After Work	97	97	0
Weekends and Holidays	96	94	-2
On Vacation	86	85	-1
Charged for Personal Use (total):	83%	80%	-3%
Of above figure, percent charged by:			
Per Mile Charge	39	45	+6
Flat Monthly/Weekly Rate	39	39	0
Combination Per Mile/Flat Rate	28	15	-13
Charges Collected By:			
Expense Report	87%	68%	-19%
Salary Deduction	97	73	-24
(Does not equal 100% because many respondents use more than one method.)			
Personal Use Permitted By:			
Employee Spouse	*	77%	
Employees' Licensed Children	*	44	
Others	*	13	
Repair Costs Paid By Employee:			
Yes	39%	36%	-3%
Of above figure, percent charging:			
Full Amount	5	5	0
Fixed Share	4	.7	-3.3
Dollar Amount	34	35	+1
Insurance Deductible	56	41	-15
Other	1	18.3	
Driver Charged With Accident - Other Driving:	31%	49%	#18%
Authorized Alternate Transportation:			
Employee's Vehicle	96%	92%	-4%
Rented Vehicle	94	89	-5
District Manager's Vehicle	51	40	-11
Pool Vehicle	86	74	-12
(Does not equal 100% because many respondents allow several alternatives.)			
IRS Audit in Last Two Years	8%	8%	0

*Last year, those returns with no answers for these questions were NOT counted as negative votes. This year, answers left blank WERE counted as negative votes with the assumption that if the question was left unanswered it did not apply to the respondent. Next year, respondents will not be asked to respond "yes" or "no" but rather to check off all options that apply to them with no answer meaning it does not apply.

Note: Reimbursement figures for business use of a personal vehicle were computed differently in the past, making comparison impractical. Previously, figures were broken down into categories of 15 cents or less, 16-19 cents, 20 cents, 20.5 cents, 21-24 cents, and 25 cents or more. This year, as you can see in the charts on these pages, we give you a median average for each industry classification. (The median average is that figure shown above and below which exactly 50 percent of responses fall.) We feel this method gives you a better, more precise and more accurate figure for each individual industry classification as well as for the entire fleet industry.

Last year, 42 percent of respondents said they reimburse employees for business use of a personal vehicle with no assigned fleet vehicle an average of 20 cents per mile. Twenty-eight percent paid 21-24 cents; 22 percent paid 20.5 cents; five percent paid 16-19 cents; two percent paid 25 cents or more, and one percent paid 15 cents or less. This year, the industry average was 20.6 cents in the United States and 22.4 cents in Canada.

When reimbursing driver for business use of a personal vehicle when an assigned fleet vehicle is not in operation, last year respondents said they paid: 20 cents - 42 percent; 21-24 cents - 26 percent; 20.5 cents - 23 percent; 16-19 cents - five percent; 25 cents or more - two percent, and 15 cents or less - two percent. Industry-wide averages this year were 20.7 cents (United States) and 22.5 cents (Canada).

Factors governing assignment of company-provided vehicle:

	Drugs & Cosmetics	Food & Beverage	Insurance	Chemical & Petroleum	Manufacturing-Industrial	Manufacturing-Consumer	Public Utility	Government	Banking-Financial	Other	TOTAL SAMPLE
U.S.											
A. Business Mileage:											
Yes	14	15	44	15	40	16	14	20	11	13	202
No	7	8	3	4	12	13	9	10	4	4	74
If "Yes" how many miles per year:	10,000	16,538	11,172	18,200	13,690	13,915	10,073	13,816	14,600	13,722	13,503
B. Job Title: Yes	33	38	48	18	52	36	20	23	11	13	292
No	1	1	6	3	7	8	5	8	3	4	46
C. Fringe Benefit: Yes	9	6	11	7	19	9	2	1	4	8	76
No	12	14	26	11	20	14	16	23	7	4	147
D. Other: Yes	3	4	6	5	4	3	7	15	4	3	54
No	14	14	20	8	20	15	6	15	3	3	118
Canada											
A. Business Mileage:											
Yes	3	2	0	4	5	2	2	2	1	2	23
No	5	5	0	1	3	1	0	2	0	1	18
If "Yes" how many kilometers per year:	10,000	25,000	0	26,333	14,333	10,000	0	13,500	16,200	10,000	16,938
B. Job Title: Yes	1	11	2	4	0	5	2	2	2	5	34
No	0	0	0	0	0	0	1	3	0	0	4
C. Fringe Benefit: Yes	6	4	1	2	6	3	2	1	2	3	30
No	3	2	0	1	1	0	1	3	0	1	12
D. Other: Yes	1	3	0	0	1	1	1	3	0	0	10
No	6	4	0	1	2	1	1	0	0	3	18

NAFA's Personal Use Survey... From a Canadian Viewpoint

The following are comments by Chris Hill, Manager, Corporate Fleet, Honeywell, Ltd., North York, Ontario, Canada.

It is of interest to note that company cars are much more likely to be part perk in Canada than in the United States. More companies use job title or fringe benefits as a rationale for assigning company cars than business mileage. A higher portion of total driving is reported as personal use in Canada than in the U.S. and has increased slightly from last year.

The inference that the vehicle is a perk can be established by reviewing personal use charges. Thirty percent of Canadian fleets charge the employee nothing for personal use, compared to 17.7 percent of U.S. fleets. Given that the average annual cost of a fleet car approaches $7,000, with average personal mileage running at 22.8 percent, it would follow that a proportional sharing of costs would result in an average employee contribution of about $1,600. The highest personal use charges appear in the Drugs and Cosmetics sector, averaging $732 a year, and Consumer Manufacturing at $800 a year. Clearly, almost all Canadian firms responding to the survey underwrite the cost of personal use to a significant extent.

Canadian fleets tend to be stricter about accidents occurring on personal time. Some portion of the repair costs will be passed back to the driver in 62 percent of Canadian fleets, versus only 31 percent of American fleets.

The majority of Canadian fleet drivers appear to have access to a pool car when the assigned fleet car is not in operation. Perhaps because of the high personal use value, relatively few fleets permit employees to use their manager's vehicle, whereas their U.S. counterparts have such access in much higher numbers.

As in the U.S., very few fleets use anything other than a mileage-based reimbursement for employees using their personal vehicle for business, whether this a full-time arrangement (i.e. no assigned fleet vehicle), or temporary while the company car is not operable. This is surprising in light of the Runzheimer survey in 1985 claiming that only 14 percent of the respondents use the flat cents-per-kilometer method.

In reviewing amounts paid, Canadian firms seem to be consistently close to the average reimbursement of 22.4 cents per kilometer. As in previous studies, the Canadian driver earns a premium of about 75 percent compared to the average U.S. driver, who receives 20.7 cents a mile. This is partially due to gasoline prices, which are twice as high in Canada compared to the U.S. Historically, however, Canadian reimbursements have always been much higher than in the U.S., even when gas prices in Canada were below world levels from 1980 to 1983.

While a slight majority of Canadian firms do not compensate employees who become ineligible for a company vehicle, a significant number do, usually by offering to sell the assigned vehicle to the driver. Very few make a one-time payment; the average amount paid was $5,600, compared to $2,921 in the U.S.

NAFA's Annual Personal Use Survey *(Continued from page 14)*

Is personal use of fleet vehicle permitted by:

		Drugs & Cosmetics	Food & Beverage	Insurance	Chemical & Petroleum	Manufacturing-Industrial	Manufacturing-Consumer	Public Utility	Government	Banking-Financial	Other	TOTAL SAMPLE
U.S.												
Employee Only:	Yes	37	39	60	21	62	46	16	16	17	16	330
	No	0	0	0	3	3	1	11	21	2	1	42
Employee Spouse:	Yes	36	38	57	15	57	44	5	1	10	13	276
	No	1	1	4	9	9	2	20	36	9	4	95
Licensed Children:	Yes	22	22	23	7	23	25	2	0	3	8	135
	No	13	16	34	17	40	17	23	37	16	9	222
Others:	Yes	4	5	8	2	4	2	1	0	1	0	27
	No	23	28	41	21	48	30	23	36	16	12	278
Canada												
Employee Only:	Yes	16	13	2	4	15	7	2	2	2	5	68
	No	0	0	0	1	0	0	0	3	0	0	4
Employee Spouse:	Yes	16	13	2	4	14	7	2	2	2	4	66
	No	0	0	0	1	1	0	0	3	0	1	5
Licensed Children:	Yes	12	11	1	4	12	6	0	2	0	4	52
	No	3	2	1	0	2	0	0	3	0	1	12
Others:	Yes	4	4	0	3	3	1	0	1	1	0	17
	No	7	6	1	2	4	2	0	3	0	3	28

Have you set a minimum age for persons eligible to drive a company vehicle for personal use?

		Drugs & Cosmetics	Food & Beverage	Insurance	Chemical & Petroleum	Manufacturing-Industrial	Manufacturing-Consumer	Public Utility	Government	Banking-Financial	Other	TOTAL SAMPLE
U.S.	Yes	18	23	15	8	30	18	3	12	2	7	136
	No	21	16	44	15	32	27	17	21	17	10	220
If "Yes" what is the age set for:												
Children:		20	20	20	20	21	21	0	19	0	20	20
Others:		21	21	21	20	21	20	20	19	21	18	20
Canada	Yes	6	7	0	2	5	3	0	0	1	2	26
	No	9	6	2	3	10	4	2	3	1	3	43
If "Yes" what is the age set for:												
Children:		19	21	0	23	20	20	0	0	0	22	20
Others:		19	22	0	0	25	0	0	0	0	25	20

Is employee charged for personal use of company-owned vehicle?

		Drugs & Cosmetics	Food & Beverage	Insurance	Chemical & Petroleum	Manufacturing-Industrial	Manufacturing-Consumer	Public Utility	Government	Banking-Financial	Other	TOTAL SAMPLE
U.S.	Yes	35	34	53	19	59	39	15	8	15	13	290
	No	3	5	7	5	4	7	5	19	4	14	73
Canada	Yes	14	9	2	4	8	5	1	1	1	1	46
	No	2	4	0	1	7	2	1	2	1	4	24

If yes, how are they charged and what amount?

	Drugs & Cosmetics	Food & Beverage	Insurance	Chemical & Petroleum	Manufacturing-Industrial	Manufacturing-Consumer	Public Utility	Government	Banking-Financial	Other	TOTAL SAMPLE
Per Mile Charge: Yes	16	12	26	11	21	18	11	3	7	6	131
No	8	7	8	2	13	6	1	3	1	3	52
U.S. Amount (cents)	17.4	15.8	15.6	18.1	15.8	17.0	19.1	15.3	19.3	16.0	16.7
Monthly/Weekly Charge: Yes	12	18	16	4	24	13	4	4	6	3	104
No	2	2	13	3	4	4	5	3	2	3	41
U.S. Amount (dollars)	60.7	57.7	57.6	41.0	65.6	47.6	60.0	53.0	57.5	71.0	58.1
Combination of both: Yes	6	5	6	4	15	8	0	1	2	0	47
No	5	6	15	2	11	6	6	4	2	0	57
Per Mile Charge: Yes	3	3	0	3	3	2	1	1	0	4	20
No	3	4	0	0	1	0	0	0	0	1	9
Canadian Amount (cents)	4.7	7.7	0	14.0	8.5	16.0	8.0	0	0	11.0	9.8
Monthly/Weekly Charge: Yes	10	6	1	0	6	1	0	0	1	1	26
No	0	1	0	0	0	0	0	0	0	2	3
Canadian Amount (dollars)	61.0	45.0	32.5	0	59.0	44.0	0	0	40.0		53.3
Combination of both: Yes	0	0	1	1	1	1	0	0	0	0	4
No	2	5	0	0	1	0	0	0	0	2	10

Do you collect these charges via:

	Drugs & Cosmetics	Food & Beverage	Insurance	Chemical & Petroleum	Manufacturing-Industrial	Manufacturing-Consumer	Public Utility	Government	Banking-Financial	Other	TOTAL SAMPLE
U.S.											
Expense Report: Yes	19	16	31	7	30	17	0	0	2	3	125
No	10	6	3	3	10	5	8	7	3	2	57
Salary Deduction: Yes	18	19	25	6	24	17	10	5	6	1	131
No	4	6	12	5	10	4	2	4	1	6	54
Canada											
Expense Report: Yes	4	2	1	1	3	2	1	1	1	1	17
No	3	5	0	0	2	0	0	0	0	1	11
Salary Deduction: Yes	10	6	1	2	6	2	0	0	0	2	29
No	2	0	0	0	1	0	0	0	0	2	5

(Continued on page 18)

"Fleet managers must adhere to all aspects of the Tax Reform Act even though the final regulations have not yet been issued. Thirty companies that participated in this survey have been audited. That is a surprisingly high number and fleet executives must be prepared to face the IRS."

Gordon West
Corporate Fleet Manager
Pfizer, Inc.

Is any portion of repair costs resulting from accidents during personal use charged to the driver?

	Drugs & Cosmetics	Food & Beverage	Insurance	Chemical & Petroleum	Manufacturing-Industrial	Manufacturing-Consumer	Public Utility	Government	Banking-Financial	Other	TOTAL SAMPLE
U.S. Yes	14	16	11	6	29	17	1	6	2	5	106
No	23	20	48	17	33	30	17	22	16	10	236
If "Yes" how much:											
A. Full Amount	1	2	0	0	1	0	0	1	0	0	5
B. Fixed Share	1	0	0	0	0	0	0	0	0	0	1
C. Dollar Amount	6	7	5	0	11	7	1	1	1	0	39
D. Insurance Deductible	3	6	7	1	15	8	0	2	0	3	45
U.S. Operator charged with accident if another driving for personal use? Yes	22	25	23	6	36	22	2	7	3	5	151
No	12	12	35	14	26	23	9	13	12	8	164
Canada Yes	14	6	2	3	9	2	0	2	2	2	42
No	1	7	0	2	4	4	2	2	0	3	25
If "Yes" how much:											
A. Full Amount	0	0	0	2	0	0	0	0	0	0	2
B. Fixed Share	0	0	0	0	0	0	0	0	0	0	0
C. Dollar Amount	6	1	1	1	2	1	0	0	0	0	12
D. Insurance Deductible	4	2	1	0	6	0	0	1	2	0	16
Canada Operator charged with accident if another driving for personal use? Yes	11	5	2	2	5	3	0	1	1	2	32
No	3	7	0	1	8	3	2	2	0	3	29

REIMBURSEMENT POLICIES

Business Use of Personal Vehicle — No Fleet Vehicle Assigned

	Drugs & Cosmetics	Food & Beverage	Insurance	Chemical & Petroleum	Manufacturing-Industrial	Manufacturing-Consumer	Public Utility	Government	Banking-Financial	Other	TOTAL SAMPLE
U.S. Number reimbursing drivers for:											
A. Mileage Only:	30	32	53	20	44	39	27	31	16	14	306
Average Amount (U.S. cents)	20.5	20.5	20.2	21.1	20.7	20.3	22.3	20.8	20.6	19.0	20.6
B. Fixed Amount:	0	3	1	0	2	1	0	1	0	0	8
Average Amount (monthly U.S. dollars)	0	$350	0	0	$350	$275	0	$320	0	0	$324
C. Fixed Amount Plus Mileage:	0	4	1	1	10	1	1	0	0	0	18
Average Amount Per Mile:	0	13.5	0	10.0	8.0	14.0	0	0	0	0	10.5
Average Fixed Amount Per Month:	0	$190	0	$300	$286	$250	0	0	0	0	$241
D. Graduated Scale:	0	0	4	0	1	0	0	0	0	0	5
Canada Number reimbursing drivers for:											
A. Mileage Only:	14	9	2	5	11	6	1	4	2	5	59
Average Amount (Canadian cents)	23.1	22.7	16.0	23.0	22.0	21.6	26.0	24.5	22.5	20.0	22.4
B. Fixed Amount:	0	0	0	0	0	0	0	0	0	0	0
C. Fixed Amount Plus Mileage:	0	1	0	0	0	0	0	0	0	0	1
Average Amount Per Mile:	0	8.0	0	0	0	0	0	0	0	0	8.0
Average Fixed Amount Per Month:	0	$325	0	0	0	0	0	0	0	0	$325
D. Graduated Scale:	0	1	0	0	0	0	0	4	0	0	5

Business Use of Personal Vehicle — Assigned Fleet Vehicle Not in Operation

	Drugs & Cosmetics	Food & Beverage	Insurance	Chemical & Petroleum	Manufacturing-Industrial	Manufacturing-Consumer	Public Utility	Government	Banking-Financial	Other	TOTAL SAMPLE
U.S.											
Number reimbursing drivers for:											
A. Mileage Only:	37	34	48	20	56	37	24	27	17	15	315
Average Amount (U.S. cents)	20.3	20.6	20.2	21.3	20.3	20.4	22.0	21.4	20.7	21.0	20.7
B. Fixed Amount:	0	0	1	0	1	0	0	1	0	0	3
C. Fixed Amount Plus Mileage:	0	1	0	0	1	0	1	0	0	0	3
Average Amount Per Mile:	0	16.5	0	0	0	0	0	0	0	0	16.5
Average Fixed Amount:	0	$155	0	0	0	0	$220	0	0	0	$188
D. Graduated Scale:	0	0	3	1	1	0	0	0	0	0	5
1. Amount for 1st Number of Miles	0	0	19.3	21.0	21.0	0	0	0	0	0	20.4
2. First Number of Miles Reimbursed at Rate in D1	0	0	10,233	1,250	300	0	0	0	0	0	3,400
3. Amount for Any Mileage Over That in D2	0	0	10.7	11.0	11.0	0	0	0	0	0	10.9
Canada											
Number reimbursing drivers for:											
A. Mileage Only:	12	7	1	3	6	2	2	4	0	0	37
Average Amount (Canadian cents)	22.7	22.8	0	22.5	20.0	20.0	23.5	24.5	0	0	22.5
B. Fixed Amount:	0	0	0	0	0	0	0	0	0	0	0
C. Fixed Amount Plus Mileage:	0	0	0	0	0	0	0	0	0	0	0
D. Graduated Scale:	0	1	0	0	0	0	0	1	0	0	2
1. Amount for 1st Number of Miles	0	22	0	0	0	0	0	28	0	0	25.0
2. First Number of Miles Reimbursed at Rate in D1	0	10,000	0	0	0	0	0	4,000	0	0	7,000
3. Amount for Any Mileage Over That in D2	0	18	0	0	0	0	0	26	0	0	22.0